GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:364
ANSWERED ON:20.11.2001
FUNCTIONING OF FACT
P.C. THOMAS

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether some of the plants in FACT, Kerala were closed;

(b) If so, the details thereof and the loss caused thereby ;

(c) whether the FACT has made some proposals to improve the working of FACT;

(d) if so, the reaction of the Government thereto; and

(e) the measures the Government propose to take to modernize and improve the functioning of FACT?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI S.B. MOOKHERJEE)

(a)&(b) : No plant of FACT have been closed.However, due to a critical equipment failure, Urea production in the Cochin Division remains suspended since 10th July, 2001. The company has reported that they are likely to incur some losses, the exact quantum of which will be known when the accounts are closed. However, they are making all efforts to minimise the losses by way of measures such as deployment of personnel etc.

(c)to(e): FACT has submitted a proposal to Government of India seeking certain financialreliefs including waiver of interest on Government loan in respect of the ammonia replacement project at Udyogmandal, Kerala. Government has initiated the process of finalising a package of financial assistance to be extended to FACT. The Government have also provided a budgetary support of Rs.35.00 crore to FACT during 1999-2000. Rs.40.00 crore during 2000- 2001 and has made a provision of Rs.45.00 crore during 2001-2002 to enable it to implement essential renewals/replacements, renovation/modernisation and upgradation schemes directed towards improving the functioning of FACT.